

House File 2431 - Introduced

HOUSE FILE 2431

BY HEARTSILL

A BILL FOR

1 An Act relating to the individual income tax checkoff for the
2 Iowa election campaign fund by providing for the future
3 repeal of the tax checkoff and the Iowa election campaign
4 fund, and including effective date provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

IOWA ELECTION CAMPAIGN FUND TAX CHECKOFF

Section 1. Section 68A.601, Code 2014, is amended to read as follows:

68A.601 Checkoff — income tax.

A For tax years beginning before January 1, 2014, a person whose state income tax liability for any taxable year is one dollar and fifty cents or more may direct that one dollar and fifty cents of that liability be paid over to the Iowa election campaign fund when submitting the person's state income tax return to the department of revenue. In the case of a joint return of husband and wife having a state income tax liability of three dollars or more, each spouse may direct that one dollar and fifty cents be paid to the fund. ~~The~~ For tax years beginning before January 1, 2014, the director of revenue shall draft the income tax form to provide spaces on the tax return which the taxpayer may use to designate that contributions made under this section be credited to a specified political party as defined by section 43.2, or to the Iowa election campaign fund as a contribution to be shared by all such political parties in the manner prescribed by section 68A.602. The form shall inform the taxpayer of the consequences of the choices provided under this section, but this information may be contained in a footnote or other suitable form if the director of revenue finds it is not feasible to place the information immediately above the signature line. The action taken by a person for the checkoff is irrevocable.

Sec. 2. Section 422.12J, Code 2014, is amended to read as follows:

422.12J Income tax checkoff for Iowa election campaign fund.

A For tax years beginning before January 1, 2014, a person who files an individual or a joint income tax return with the department of revenue under section 422.13 may designate a contribution to the Iowa election campaign fund authorized pursuant to section 68A.601.

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DIVISION II
FUTURE REPEAL

Sec. 3. Section 68A.103, subsection 2, Code 2014, is amended by striking the subsection.

Sec. 4. Section 97B.3, subsection 2, Code 2014, is amended to read as follows:

2. The qualifications for appointment as the chief executive officer shall include management-level pension fund administration experience. The qualifications for appointment as the chief executive officer shall also include a demonstrated knowledge of all aspects of pension fund administration, including financial management, investment asset management, benefit design and delivery, legal administration, and operations administration. The chief executive officer shall not be selected on the basis of political affiliation, and while employed as the chief executive officer, shall not be a member of a political committee, participate in a political campaign, or be a candidate for a partisan elective office, and shall not contribute to a political campaign fund, except that the chief executive officer may designate on the checkoff portion of the ~~state or federal income tax return, or both,~~ a party or parties to which a contribution is made pursuant to the checkoff. The chief executive officer shall not hold any other office under the laws of the United States or of this or any state and shall devote full time to the duties of office.

Sec. 5. Section 422.12D, subsection 4, Code 2014, is amended to read as follows:

4. The department shall adopt rules to implement this section. However, before a checkoff pursuant to this section shall be permitted, all liabilities on the books of the department of administrative services and accounts identified as owing under section 8A.504 ~~and the political contribution allowed under section 68A.601~~ shall be satisfied.

Sec. 6. Section 422.12E, subsection 1, Code 2014, is amended

1 to read as follows:

2 1. For tax years beginning on or after January 1, 2004,
3 there shall be allowed no more than four income tax return
4 checkoffs on each income tax return. When the same four income
5 tax return checkoffs have been provided on the income tax
6 return for two consecutive years, the two checkoffs for which
7 the least amount has been contributed, in the aggregate for the
8 first tax year and through March 15 of the second tax year, are
9 repealed. ~~This section does not apply to the income tax return~~
10 ~~checkoff provided in section 68A.601.~~

11 Sec. 7. Section 422.12K, subsection 2, Code 2014, is amended
12 to read as follows:

13 2. The director of revenue shall draft the income tax form
14 to allow the designation of contributions to the child abuse
15 prevention program fund on the tax return. The department of
16 revenue, on or before January 31, shall transfer the total
17 amount designated on the tax return forms due in the preceding
18 calendar year to the child abuse prevention program fund.
19 However, before a checkoff pursuant to this section shall be
20 permitted, all liabilities on the books of the department of
21 administrative services and accounts identified as owing under
22 section 8A.504 ~~and the political contribution allowed under~~
23 ~~section 68A.601~~ shall be satisfied.

24 Sec. 8. Section 422.12L, subsection 2, Code 2014, is amended
25 to read as follows:

26 2. The director of revenue shall draft the income tax form
27 to allow the designation of contributions to the veterans trust
28 fund and to the volunteer fire fighter preparedness fund as
29 one checkoff on the tax return. The department of revenue,
30 on or before January 31, shall transfer one-half of the total
31 amount designated on the tax return forms due in the preceding
32 calendar year to the veterans trust fund and the remaining
33 one-half to the volunteer fire fighter preparedness fund.
34 However, before a checkoff pursuant to this section shall be
35 permitted, all liabilities on the books of the department of

1 administrative services and accounts identified as owing under
2 section 8A.504 ~~and the political contribution allowed under~~
3 ~~section 68A.601~~ shall be satisfied.

4 Sec. 9. Section 456A.16, unnumbered paragraph 7, Code 2014,
5 is amended to read as follows:

6 The department shall adopt rules to implement this section.
7 However, before a checkoff pursuant to this section shall be
8 permitted, all liabilities on the books of the department of
9 administrative services and accounts identified as owing under
10 section 8A.504 ~~and the political contribution allowed under~~
11 ~~section 68A.601~~ shall be satisfied.

12 Sec. 10. Section 474.10, Code 2014, is amended to read as
13 follows:

14 **474.10 General counsel.**

15 The board shall employ a competent attorney to serve as its
16 general counsel, and assistants to the general counsel as it
17 finds necessary for the full and efficient discharge of its
18 duties. The general counsel is the attorney for, and legal
19 advisor of, the board and is exempt from the merit system
20 provisions of chapter 8A, subchapter IV. Assistants to the
21 general counsel are subject to the merit system provisions of
22 chapter 8A, subchapter IV. The general counsel or an assistant
23 to the general counsel shall provide the necessary legal advice
24 to the board in all matters and represent the board in all
25 actions instituted in a state or federal court challenging
26 the validity of a rule or order of the board. The existence
27 of a fact which disqualifies a person from election or from
28 acting as a utilities board member disqualifies the person from
29 employment as general counsel or assistant general counsel.
30 The general counsel shall devote full time to the duties of the
31 office. During employment the counsel shall not be a member of
32 a political committee, contribute to a political campaign fund
33 other than through the income tax checkoff for contributions to
34 ~~the Iowa election campaign fund and the presidential election~~
35 campaign fund, participate in a political campaign, or be a

1 candidate for a political office.

2 Sec. 11. Section 475A.1, subsection 4, Code 2014, is amended
3 to read as follows:

4 4. *Political activity prohibited.* The consumer advocate
5 shall devote the advocate's entire time to the duties of the
6 office; and during the advocate's term of office the advocate
7 shall not be a member of a political committee or contribute
8 to a political campaign fund other than through the income tax
9 checkoff for contributions to ~~the Iowa election campaign fund~~
10 ~~and~~ the presidential election campaign fund or take part in
11 political campaigns or be a candidate for a political office.

12 Sec. 12. Section 904.107, Code 2014, is amended to read as
13 follows:

14 **904.107 Director — appointment and qualifications.**

15 The chief administrative officer for the department is the
16 director. The director shall be appointed by the governor
17 subject to confirmation by the senate and shall serve at the
18 pleasure of the governor. The director shall be qualified
19 in reformatory and prison management, knowledgeable in
20 community-based corrections, and shall possess administrative
21 ability. The director shall also have experience in the field
22 of criminology and discipline and in the supervision of inmates
23 in corrective penal institutions. The director shall not be
24 selected on the basis of political affiliation, and while
25 employed as the director, shall not be a member of a political
26 committee, participate in a political campaign, be a candidate
27 for a partisan elective office, and shall not contribute to a
28 political campaign fund, except that the director may designate
29 on the checkoff portion of the ~~state or~~ federal income tax
30 return, ~~or both~~, a party or parties to which a contribution is
31 made pursuant to the checkoff. The director shall not hold any
32 other office under the laws of the United States or of this or
33 any state or hold any position for profit and shall devote full
34 time to the duties of office.

35 Sec. 13. REPEAL. Sections 68A.601, 68A.602, 68A.603,

1 68A.604, 68A.605, 68A.606, 68A.607, 68A.608, 68A.609, and
2 422.12J, Code 2014, are repealed.

3 Sec. 14. EFFECTIVE DATE. This division of this Act takes
4 effect July 1, 2015.

5

EXPLANATION

6 The inclusion of this explanation does not constitute agreement with
7 the explanation's substance by the members of the general assembly.

8 This bill relates to the Iowa election campaign income tax
9 checkoff and the Iowa election campaign fund.

10 CURRENT LAW. The Iowa election campaign tax checkoff allows
11 individuals to designate on their income tax return up to \$1.50
12 of their state tax liability to the Iowa election campaign
13 fund. The checkoff is not subject to the provisions of Code
14 section 422.12E that limit to four the number of checkoffs
15 that may appear on an income tax return and that automatically
16 repeal certain checkoffs that receive the least amount of
17 contributions.

18 Moneys in the Iowa election campaign fund, consisting of
19 a separate fund for each political party, are disbursed to
20 candidates for partisan public office at the request of the
21 candidate and at the discretion of the state central committee
22 of each political party. The Iowa ethics and campaign
23 disclosure board is responsible for administering the Iowa
24 election campaign fund. Any moneys not used by the political
25 parties by the end of a general election year revert to the
26 general fund of the state.

27 DIVISION I — IOWA ELECTION CAMPAIGN TAX CHECKOFF. Division
28 I of the bill restricts the Iowa election campaign income tax
29 checkoff to tax years beginning before January 1, 2014. The
30 checkoff will not be available on the individual income tax
31 return for tax year 2014, nor any tax year thereafter.

32 DIVISION II — FUTURE REPEAL. Division II of the bill
33 provides that the Iowa election campaign income tax checkoff
34 and the Iowa election campaign fund are repealed effective July
35 1, 2015.